

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

INCOME TAX REFERENCE No 19 of 1995

For Approval and Signature:

Hon'ble MR.JUSTICE C.K.THAKKER and sd/-
MR.JUSTICE M.C.PATEL sd/-

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1. Whether Reporters of Local Papers may be allowed to see the judgements?
 2. To be referred to the Reporter or not?
 3. Whether Their Lordships wish to see the fair copy of the judgement?
 4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder?
 5. Whether it is to be circulated to the Civil Judge?

1 to 5 No.

COMMISSIONER OF INCOME TAX

Versus

ISHWAR ARTS

Appearance:

MR MANISH R BHATT for Petitioner
NOTICE SERVED for Respondent No. 1

CORAM : MR.JUSTICE C.K.THAKKER and

MR.JUSTICE M.C.PATEL

Date of decision: 30/07/98

ORAL JUDGEMENT

The following question is referred for the opinion of this Court:

"Whether, on the facts and in the circumstances of the case. the Tribunal is right in law in holding that the amount of subsidy should not be deducted from the cost of the assets for the purpose of working out the investment allowance and depreciation?"

A similar question has been answered in favour of the assessee and against the revenue by decision of the Hon'ble Supreme Court in COMMISSIONER OF INCOME-TAX v. P.J. CHEMICALS LTD., 210 ITR 830.

The question referred to us, therefore, is answered in the affirmative, i.e. in favour of the assessee and against the revenue. Reference is accordingly disposed of. No order as to costs.
